



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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May 31, 1996

Malcolm C. Young
5010 North Highway 38
Brigham City, Utah 84302

Re: Notice of Intention to Commence Small Mining Operations, BHY Mine, S/005/003,
Cache County, Utah

Dear Mr. Young:

Thank you for your Notice of Intention to Commence Small Mining Operations, received by the Division on May 31, 1996. The application for the proposed BHY Mine, located in the NE/4 of the NE/4 of the NW/4 of the NW/4 of Section 2, T9N, R1W, SLBM, Cache County, Utah is complete and no additional information is required at this time.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices", and the statutory penalty for failure to reclaim a minesite (SMO-NOI Summary). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements.

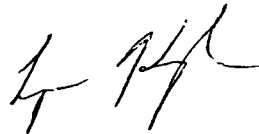
A Memorandum of Understanding between this Division and the State Department of Environmental Quality (DEQ) requires us to notify them upon receipt of a mining application. If you haven't already done so, you are advised to contact their office prior to starting your small mining operation to determine whether additional permits and/or approvals are required. We will forward a copy of this letter and your notice to the DEQ for their review. Their address and phone number is: Department of Environmental Quality, 288 North 1460 West, Salt Lake City, Utah, 84116, (801) 538-6146.



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Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lynn Kunzler', with a stylized flourish at the end.

Lynn Kunzler
Reclamation Specialist

jb
Enclosure
cc: Kiran Bhayani, DWQ w/NOI
Roger L. Bon, UGS
Tracking File
S005003.noi